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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
GARY PIERCE

2007 MAY -4 P 1:21

AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF:

DOCKET NO. S-20437A-05-0925

Reserve Oil & Gas, Inc., a Nevada Corporation
3507 North Central Avenue, Ste. 503
Phoenix, AZ 85012

Arizona Corporation Commission
DOCKETED

MAY -4 2007

Allen and Jane Doe Stout, Sr., husband and wife
1309 West Portland Street
Phoenix, AZ 85007-2102

DOCKETED BY

nr

Respondents.

NINTH
PROCEDURAL ORDER

BY THE COMMISSION:

On December 30, 2005, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist ("T.O.") and a Notice of Opportunity for Hearing ("Notice") against Reserve Oil & Gas, Inc. (ROG"), Allen and Jane Doe Stout, Sr., and Allen and Jane Doe Stout, Jr. (collectively "Respondents"), in which the Division alleged that the Respondents committed multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts. As a result of the T.O., the Respondents were immediately ordered to cease and desist from violating the Act.

Respondents were duly served with copies of the Notice.

On January 19, 2006, Respondents filed a request for hearing. Subsequently, by Procedural Order, a pre-hearing conference was scheduled for February 7, 2006.

On February 7, 2006, the pre-hearing conference was convened as scheduled. The Division and Respondents were present with counsel. The Division requested another pre-hearing conference be scheduled and additional time be taken for the preparation of its case and further discovery. By Procedural Order, another pre-hearing conference was scheduled for April 27, 2006.

On March 20, 2006, a Stipulation for Substitution of Counsel for Respondents was filed with the Commission.

1 On April 27, 2006, the Division appeared through counsel. Respondents did not enter an
2 appearance. Subsequently, counsel for the Respondents advised the Hearing Division that prior
3 counsel failed to advise him of the April 27, 2006, pre-hearing conference which had previously been
4 scheduled.

5 On April 28, 2006, by Procedural Order, a pre-hearing conference was scheduled.

6 On May 25, 2006, the Division and Respondents appeared through counsel. The parties
7 stipulated that another pre-hearing be scheduled in approximately 60 days during which time
8 discovery and a possible resolution of the issues raised by the Notice could be discussed.

9 On May 26, 2006, by Procedural Order, a pre-hearing conference was scheduled for August
10 10, 2006. However this date caused a scheduling conflict and required rescheduling.

11 On July 26, 2006, by Procedural Order, the pre-hearing conference scheduled for August 10,
12 2006, was rescheduled to August 31, 2006.

13 On August 31, 2006, the Division and Respondents appeared through counsel. The Division
14 requested that a hearing be scheduled because the parties had been unable to agree on a settlement of
15 the issues raised in the T.O. and Notice. Subsequently, by Procedural Order, a hearing was scheduled
16 on November 7, 2006, and the exchange of witness lists and exhibits was ordered.

17 On November 7, 2006, a hearing was convened before a duly authorized Administrative Law
18 Judge of the Commission and its offices in Phoenix, Arizona. The Division and Respondents
19 appeared through counsel. Due to a number of outstanding motions and issues raised at the outset of
20 the hearing, the proceeding was recessed to allow counsel for Respondents to take the deposition of a
21 Division witness who resides in Colorado. It was determined that pending motions would be
22 addressed after the deposition was concluded.

23 On November 9, 2006, Respondents filed a Motion to Set a Settlement Conference and
24 requested that Assistant Chief Law Judge, Dwight Nodes preside over the proceeding. The Division
25 did not oppose Respondent's Motion.

26 On November 30, 2006, by Procedural Order, a settlement conference was scheduled for
27 December 13, 2006. However, the parties were unable to conclude a settlement.

28 On January 30, 2007, by Procedural Order, a status conference was scheduled for February

1 15, 2007.

2 On February 15, 2007, the Division's counsel and counsel for the Respondents appeared.
3 Pending motions were addressed including the taking of a deposition of a Division witness and the
4 taking of the deposition of Mr. Allen C. Stout. Further, Respondents were permitted leave to file
5 their amended Answers.

6 On May 2, 2007, a full public hearing was convened before a duly authorized Administrative
7 Law Judge of the Commission at its offices in Phoenix, Arizona. The Division and Respondents
8 were represented by counsel. The hearing was reconvened on May 3, 2007, and the parties agreed
9 that further hearing time would be required to conclude the proceeding.

10 Accordingly, another hearing should be scheduled.

11 IT IS THEREFORE ORDERED that a **hearing** shall be held on **June 27, 2007, at 9:30 a.m.**,
12 at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona.

13 Dated this 4th day of May, 2007

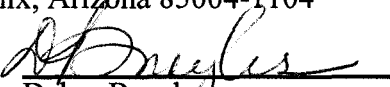
14 
15
16 MARC E. STERN
17 ADMINISTRATIVE LAW JUDGE

18 Copies of the foregoing mailed/delivered
19 this 4th day of May, 2007, to:

20 Paul J. Roshka, Jr.
21 ROSHKA, DeWULF & PATTEN
22 400 East Van Buren Street, Ste. 800
23 Phoenix, AZ 85004
24 Attorney for Respondents

25 Matt Neubert, Director
26 Securities Division
27 ARIZONA CORPORATION COMMISSION
28 1200 West Washington Street
Phoenix, AZ 85007

29 ARIZONA REPORTING SERVICE, INC.
30 2627 N. Third Street, Ste. Three
31 Phoenix, Arizona 85004-1104

32 By: 
33 Debra Broyles
34 Secretary to Marc E. Stern